



DATE: March 17, 2020
SUBJECT: COVID-19 Coronavirus Updates/Information
FROM: Mike McCreery, Executive Director

Subject: Quick Summary of March 17, 2020 NACo Briefing on COVID-19

The Executive Director of the National Association of Counties (NACo) has provided the 'Quick Summary of the NACo Conference Call Briefing' held earlier today with local government leaders from across the United States prepared by the New Mexico Counties for distribution by others as they so choose. While NACo noted their staff had NOT yet had the opportunity to read it for accuracy (compared to their internal notes), they do credit the New Mexico Counties with writing a 'great summary' of the conference call held, and specifically thanked Steve Acquario (New York Association of Counties) and Eric Johnson (Washington State Association) for joining the conference call to discuss key lessons learned from state associations and counties.

Because the New Mexico Counties' summary is available now, is accurate and reflects what every state is experiencing, UCCI is making this summary available for county board members in Illinois.

**New Mexico Counties QUICK SUMMARY
NACo Local Leader Conference Call Briefing on COVID-19
March 17, 2020**

Financial Considerations for Counties

- We have learned from previous federal disasters that if you want reimbursement for your expenditures, you must document, document, document your expenses, personnel time, etc.!!!
- Pay attention to your county cash flow and liquidity of investments
- Make sure to evaluate how are your investments structured
- Pay attention to bond obligations and pension funds as the markets continue to fluctuate
- Keep an eye on your balance sheets related to the decision that you are making

Federal Aid Packages - Congress has passed two federal aid packages and a third one is in the works

1st package – (Passed) \$8.5 Billion for COVID-19 supplemental funding
Key provisions included \$950 million for state and local public health services through emergency preparedness programs; a few large counties that received large allocations; if you have a county public health authority, you need to be working with your state and federal partners; congress dictated how quickly the money needed to be available to states, but did not direct the states on the time requirements to deploy to local governments; counties need to be

working with their state departments to determine how the money will flow down; \$100 million for community health services; remaining funds will be used for COVID-19 testing, research and development, and standing up federal response programs

2nd package – HR6201 \$104 Billion for COVID-19 supplemental funding (Passed the House and heading to the Senate - please note that the first bill passed the house and was pulled back to work on technical amendments, make sure you are looking at the amended bill)

Key provisions include pretesting regardless of whether insured; \$1 billion for nutritional initiatives; \$1 billion for unemployment to the states; addresses a 6.2% ramp up for FMPA, which is the federal share of the Medicaid match; there is still some uncertainty on the requirements and processes related to paid leave, social security taxes, Medicare taxes, and potential credits for employers; it does not include credits for public sector entities; NACo has reached out to the U.S. Treasury Department to assist with clarification

3rd package – Estimated at \$800 Billion to \$1 Trillion – information pending, but may focus on the broader economy

Tips for Federal Aid

- Most federal funding flows from the federal government to the state and then to the local level
- Counties need to be working with your state association, community partners, Health & Human Services, and Center for Disease Control to access funds
- If you are involved in Medicaid, please work with your health agencies on the cost and reimbursement for counties
- Currently, the largest source for reimbursement is through the FEMA Disaster Relief Fund - FEMA Public Assistance Program
- Health & Human Services and FEMA are currently evaluating what is eligible and how it is determined under the Stafford Act which governs FEMA Programs, which have traditionally focused on disasters, but is eligible for pandemic types of emergencies
- Counties who have been through disasters know how critical it is to document and have vast experience on lessons learned. NACo can also help connect you to those with more experience.
- You must have appropriate financial controls to segregate and document your expenses related to the emergency declarations

Cyber Security Attacks

- There have been an increase in cybersecurity attacks
- The Department of Health & Human Services was hacked on Twitter with false information proclaiming a national government lockdown
- Counties must work with employees and their IT departments to be on guard for fake emails, false information, etc. especially while working remotely

County Lessons Learned and Resources

Website Resources

- NACo has launched a specific COVID-19 resource section on their website
- Almost all the state association of counties have built resource pages for their state
- NACo is cataloguing all of the state and county disaster declarations and they are available by right-clicking on the County Explorer page to see the declaration and date
- These declarations can assist counties with language and serve as a boiler plate for best practices

- NACo has also included information on their federal advocacy efforts for the federal aid packages

NACo is currently working on the following federal advocacy efforts:

- Requesting that the 3rd aid package include more testing equipment and personal protective equipment
- More clarification on FEMA assistance; additional funding
- Stressing the importance of county behavioral health services that were already stretched and may be exacerbated by the current situation
- Calling on Health & Human Services to delay the match requirements for the non-federal share of Medicaid and nutrition programs for children and the elderly
- Stressed the importance of the Department of Labor waiving requirements on pensions so counties can bring back retirees if needed for resources
- Requesting assistance with funding for municipal bonds and ability to redeploy some revenue for immediate needs

NACo is also working through a number of questions they have received regarding recording office closure effects on mortgages, supply chain concerns, national broadcasters wanting to ensure that they continue to have access, etc. These are just some of the laundry list of items that local leaders and decision-makers will need to work through.

Counties employ over 3.6 million people or approximately 1% of the workforce and county employees are on the front lines. We have to look out for our employee's wellness. NACo has established a third-party 1-800 number to assist their employees if they need help or mental health services during this time. Counties may want to consider something similar and should make sure that their human resources teams are checking regularly on employee wellness.

Insights from New York and Washington State

Steve Acquario, Executive Director for the New York Association of Counties

- New York has recently passed Washington State for the largest number of COVID-19 cases (1,000 new cases this week and 7 deaths)
- Nearly all counties in New York State have declared a state of emergency ranging in population from 5,000 to 10 million
- Office operations are at half capacity and county departments are looking at closing or reducing the amount of services provided to the public; some services are switching to scheduled appointments only
- There is both an economic and a public health threat
- All schools are closed for 2 weeks on a rotating cycle for the next 45 days - this may be for the rest of the school year; long distance e-learning and broadband is critical; livelihood is at stake and it is all interrelated; when the schools close it affects the family, the economy, tax revenues, etc.
- All bars, movies, and restaurants now closed; occupancy is at 50% of state capacity for most restaurants that aren't closed; closures at malls and other private sector businesses and venues are next
- Local curfews are being discussed; the state wants to control all curfews and all local jurisdictions will have to abide
- All schools and community colleges are being considered for temporary childcare or medical facilities
- All equipment is being distributed based on needs of effected areas; everyone wants and needs testing

- Out of the 10,000 testing in New York City, 1700 cases are positive and approximately 20% will require hospitalization with intensive care and respiratory equipment; counties must understand the severity; this is about health care's ability to respond and number of hospital beds
- Currently working the federal government on testing; FEMA assistance; requesting the Army Corps of Engineers to build out ICU beds; don't have the ability to construct facilities quick enough; currently cancelling elective surgeries; moving individuals into MASH-type facilities; NYC has 11 medical tents; normal health care is already tasked and surge capacity has made counties try to retrofit facilities in record speed; even with the building shell, they won't have the equipment, but could consider partnering with others to get the resources they need; some governors are calling in the national guard for assistance.
- Symptoms include fever, shortness of breath and coughing; many people are overwhelming the system without any symptoms
- Many areas still need testing and testing capacity; some areas have drive-through testing, but it may take a few days to be analyzed; are now able to get the analysis in state
- Governments can help with containment which is key; other steps include hand washing, social distancing, no parties, no offsite meetings; anticipate that the wave of new cases will happen in the next 40-60 days and they are trying to bend the apex of the curve
- Youth may believe they are immune and must understand that they are not
- Have restricted visitation in nursing homes and jails; providing masks to first responders
- Information requests are overwhelming; working with state association and national partners to help with information delivery; people are angry, some are confused; need to let health departments take the lead with factual and consistent messaging; be honest
- The government can't do what they did during the depression to create jobs, this is going to take money to keep people going

Eric Johnson, Executive Director for the Washington State Association

- Some of their county staff have already been working 40+ straight days
- Stressed the importance of frequent and ongoing communication between the state and county, as well as county-to-county; this communication has helped a great deal to address seamless transitions as the situation unfolds and spreads; communicate with your municipalities to ensure they are in the loop too
- This will close many components of your business practices; make sure that the communication is happening in all facets of county government (i.e. solid waste, human resources and collective bargaining, housing, transportation, recording, collections)
- This is an important opportunity for peer-to-peer communication and to steal what is working and best practices from each other
- Understand that this is unlike a disaster which is more isolated; this affects the entire state and stretches everyone's resources
- Need to think about how you are going to business differently in the short-term and the long-term; can you drive services online or to mail-in options; can you limit or eliminate things that have traditionally been done face-to-face like juries; need to think as creatively as possible
- It is important that counties be concerned for their employees and their interaction with the public; practice social distancing or send employees home to telework or

utilize leave options; look at your collective bargaining agreements to see if this is spelled out

- Make sure that your county emergency management operations are ready to go
- Make sure that there is a consistent level of communication and a consistent local public health message; this can be problematic when there are so many people communicating all at once; a lot of information can change in one hour; they have moved away from posting .pdfs because they can become obsolete and it can be confusing for the public
- Drive home the cost of what counties can expect; larger counties will be in the tens of millions and smaller counties may also reach a million or more
- There are a lot county resources going to for deployment; keep track of what you spending
- Be aware of what is coming; this is going to be a tremendous strain on local resources and staff
- Look to improve your technology now; we still live in a society where people want to talk to someone for answers; set up hotlines with accurate information
- Need to be prepared to use the federal aid and get reimbursed; need the federal and state government to consider suspending regulations and rules so that things to not get delayed
- Counties must be accountable for all of their resources and that can be difficult with small staffs who are focused on providing services, but it is critical to think about how you will track and account for your expenditures now
- Keep in mind that there will likely be a lull, but it could swell again, even with vaccines; we need to focus on both recovery and future outbreaks
- Take advantage of working with your peers, other state associations, and plagiarizing; share materials

Next Steps

- Join the White House Briefing Call tomorrow
- FEMA has distributed the 90-49 forms for the FEMA Public Assistance Programs. Please visit the website at FEMA.org for resources.
- Check in regularly on the NACo website for resources and information on federal aid; Colorado has a good template for self-evaluation; fill out survey on your priorities
- Keep track of your finances and documenting your finances to the best of your ability (look to local partners like universities and CPAs to help)
- Inform your counties about cyber security threats
- Send your questions to research@naco.org